

Headwaters Fund Board Meeting Minutes
June 9th, 2020 1:30 pm – 4:00 pm
Held Remotely via Zoom Web Conferencing

MEMBERS PRESENT: Bruce Rupp – Eureka, Dianna Rios – Fortuna, Chuck Ellsworth – Eureka, Jenna Catsos – Eureka, Carl Hansen – Ferndale, Elizabeth Cameron – Eureka

All Board Members and Staff attended remotely in accordance with Gov. Newsom’s Executive Order N-29-20 (March 17th, 2020).

MEMBERS ABSENT: N/A

OTHERS PRESENT: Brenna Fulks, Ryan Heitz, Catherine Carter, Ken Bates, Scott Adair

Item #	Action	Pass/Fail
1	Approve 04-28-2020 meeting minutes with modification	Pass
2	Board Review and Approve FY 19-20 Q1 Report	Pass
3	Board Review and Approve FY 18-19 Annual Report	Pass
4	Board Review and Approve FY 20-21 Spending Plan	Pass

1. Opening

Chair Bruce Rupp called the meeting to order at 1:30 pm. A quorum was present.

- a. Roll call, including member location
Board members stated their name and where they were located.
- b. Approval of April 28th, 2020 Minutes
It was moved by Carl Hansen and seconded by Chuck Ellsworth to approve the April 28th, 2020 meeting minutes, with a modification to remove the word business from the last paragraph under item 2. Chair called for public comment – none received. Motion carried unanimously.
- c. Public comment on non-agenda items.
No public comment.
- d. Report out on meetings attended
Elizabeth Cameron, Diana Rios, and Carl Hansen all attended the Prosperity Meeting last month.

Carl Hansen also attended a meeting hosted by Nordic Aqua Farms with the Statewide Employment Training Panel discussing state training initiatives for businesses.

2. Board to discuss letter from the Humboldt Fisherman’s Marketing Association (HFMA) relating to the RMT 1 wind project award to the Humboldt Harbor District

Ken Bates, the Vice President of the Humboldt Fisherman’s Marketing Association (HFMA), spoke about the HFMA’s concerns regarding the funding allocated to the Humboldt Bay

Harbor Commission and noted previous controversial projects in the area. Ken Bates also explained that they have made several attempts to get in contact with the Harbor District, but they have all been unsuccessful.

The Board noted that the funding granted to the Harbor District is to be used for studies and additional research and the project is still in the very early stages. The Board also suggested that the HWF not lend any additional funds to the Harbor District until they engage with the HFMA.

Staff explained that there is no formal appeal process for HWF grant funds once they have been allocated.

Chuck Ellsworth moved to defer the funding until there is a resolution between the HFMA and the Harbor District. Kenny Spain explained that the HWF cannot do that.

3. Board to review and approve FY 19-20 Q1 Report

Kenny Spain outlined the FY 19-20 First Quarter Report. Carl Hansen noted that the fiscal years on the report need to be updated to 2019-2020.

It was moved by Elizabeth Cameron and seconded by Carl Hansen to accept the FY 19-20 First Quarter Report, with adjustments to update the fiscal years. Chair called for public comment – none received. Motion carried unanimously.

4. Board to review and approve FY 18-19 Annual Report to the Board of Supervisors

Ryan Heitz outlined the Annual Report and asked the Board if they would like to see any changes or updates before it goes to the Board of Supervisors.

Elizabeth Cameron requested that the report be reviewed over the course of two meetings, one for review and one for approval. Elizabeth also suggested adjusting the order of the report to always have the program description, then the highlight of the program. She also mentioned highlighting the grant amounts, including the amount of the grant and number of jobs created in the grant highlights, and including a list of all of the grants and amounts awarded to all organizations.

Staff and the Board also discussed getting the Annual Report to the Board of Supervisors in a timelier manner.

It was moved by Jenna Catsos and seconded by Carl Hansen to approve the FY 18-19 Annual Report, including the changes suggested by the Board. Chair called for public comment – none received. Motion carried unanimously.

5. Board to review and approve FY 20-21 Spending Plan

Ryan Heitz explained that no significant adjustments had been made to the FY 20-21 Spending Plan since it was presented to the Board at the meeting on April 28th, 2020.

Carl Hansen asked if it would be possible to base future spending plans off the last quarter of the prior year and the first three quarters of the current year, so the plan is based on actual numbers rather than a combination of actuals and estimates.

Elizabeth Cameron asked for a revision to the FY 20-21 contingency label. Bruce Rupp suggested clarifying that the contingency is for loan loss and labeling it in the spending plan as a "contingency for loan loss".

The Board decided to move the loan loss contingency into the spending plan, zero out the contingency, and keeping the corpus adjustment as is. They also wanted to make sure the language was clear for future discussions of the spending plan and suggested that notes could be used to explain each line item in more detail.

It was moved by Carl Hansen and seconded by Diana Rios to approve the FY 20-21 Spending Plan with the discussed modifications. Chair called for public comment – none received. Motion carried unanimously.

6. Staff and Board updates

Kenny Spain stated that the recruitment process is ongoing for the vacant position on the HWF Board.

7. Adjourn

Chair Bruce Rupp adjourned the meeting at 3:16 pm.

Next Meeting – Tuesday, July 14th, 2020 1:30 pm – 4:00 pm